

THE FAMILY SELF-SUFFICIENCY PROGRAM

Helping Families Move Toward Self-Sufficiency

The Family Self-Sufficiency program (FSS) was established by section 554 of the National Affordable Housing Act of 1990 to encourage communities to develop local strategies for helping families obtain employment that will lead to economic independence and self-sufficiency. To participate in FSS, families must either be currently assisted through the Section 8 certificate and voucher programs or living in public housing.

After assessing the needs of families and the training and employment resources in the community, housing agencies and other local partners such as the welfare agency, schools and businesses, work together to develop a comprehensive program that can provide each FSS family with appropriate education, job training and other services to give the participating family members skills and experience that will enable them to obtain employment that pays a living wage.

Administering an FSS Program:

The FSS program is administered locally by public housing agencies (PHAs). The PHA is a governmental entity or public body authorized to develop or administer housing assistance programs.

Mandatory Minimum FSS Program Size:

Some housing agencies are required to administer FSS programs because they received FSS incentive award funding or because they received funding for additional Section 8 certificates or vouchers or public housing rental units in FY 1993 or subsequent years through October 21, 1998. As a result of the Public Housing Reform Act of 1998, funding received after October 21, 1998 no longer carries an FSS mandate.

PHAs have separate obligations for public housing FSS and Section 8 FSS based on the funding they received. A PHA's mandatory minimum size for its Section 8 FSS program is decreased by one slot for each Section 8 family that completes its FSS contract on or after October 21, 1998. Likewise, its public housing FSS obligation would be decreased for each public housing FSS family that graduates. However, a PHA's obligation to administer an FSS program continues until the number of families successfully completing the FSS program (on or after October 21, 1998) is equal to the number of FSS slots the PHA was required to administer.

Voluntary FSS Programs:

Removal of the mandate for additional FSS slots does not mean that the FSS program was eliminated. PHAs are encouraged to operate voluntary FSS programs including FSS programs larger than the PHA's mandatory minimum FSS program size. The Department continues to support the FSS program which has had demonstrated success in strengthening families and, through employment, helping them to other goals such as homeownership.

The FSS Coordinating Committee and Action Plan:

To operate an FSS program, a PHA must establish an FSS program coordinating committee and develop an FSS action plan. The FSS program coordinating committee assists the PHA in developing its action plan and FSS program policies, obtaining public and private supportive services funding and commitments, and overseeing the overall implementation of the FSS program. The FSS action plan describes the policies and procedures for operating an FSS program, anticipates the supportive service needs of families expected to participate, and estimates the number of eligible families expected to participate in FSS. The action plan must be approved by HUD. Following initial HUD approval, no further approval of the action plan is required unless the PHA proposes to make policy changes to its action plan, or changes are required by HUD. Action plan changes must be approved by HUD.

Selection of Families for FSS:

In selecting public housing residents for its public housing FSS program or current Section 8 certificate or voucher program participants for its Section 8 FSS program, PHAs can give a selection preference for up to 50 percent of its FSS slots to any eligible families that have one or more family member currently enrolled in or on the waiting list for an FSS-related service program. All other selections of families for FSS from among the pool of eligible families must be done by the PHA using an objective system, such as a lottery. PHAs may screen applicants for interest and motivation to participate in FSS, but not for education, job history, credit rating, marital status, or number of children.

FSS Contract of Participation:

The PHA and the head of each participating family execute an FSS contract that specifies the rights and responsibilities of both parties. The 5-year FSS contract specifies goals and services for each family. Family members must fulfill all requirements in order to obtain full benefits. The FSS contract requires that the family comply with the lease (e.g., pay rent on time), that all family members become independent of welfare, and that the head of the family "seek and maintain" suitable employment. Possible sanctions for noncompliance with the FSS contract include termination from the FSS program, forfeiture of the FSS escrow account, withholding or termination of supportive services, and termination of Section 8 assistance.

Supportive Services:

Services provided through an FSS program may include, but are not limited to: child care; transportation; education; job training and employment counseling; substance/alcohol abuse treatment or counseling; household skill training; and homeownership counseling.

FSS Escrow Account:

An interest-bearing FSS escrow account is established by the PHA for each participating family. An escrow credit, based on increases in earned income of the family, is credited to this account by the PHA during the term of the FSS contract. The PHA may make a portion of this escrow account available to the family during the term of the contract to enable the family to complete an interim goal such as education. If the family completes its contract and no member of the family is receiving welfare, the amount of the FSS account in excess of any amounts owed by the family to the PHA is paid to the head of the family. If the PHA terminates the FSS contract, or if the family fails to complete the contract before its expiration, the family's FSS escrow funds are forfeited.

Rental Assistance at Completion of the FSS Contract:

Although it is hoped that families will no longer need rental assistance upon completion of the FSS program, some families that complete the program will still need assistance for housing. The law provides that a family may complete its FSS contract and receive it escrow while continuing to receive housing subsidy.

Funding for Section 8 FSS Program Coordinators:

The FSS program coordinator assures that FSS program participants are linked to the supportive services they need to achieve economic self-sufficiency. The Department has been able to make some funding available annually for Section 8 FSS program coordinators. The availability of funding is announced in the *Federal Register* in a Notice of Funding Availability.

Public Housing Operating Subsidy:

Subject to appropriations, operating subsidy has been available for reasonable and eligible administrative costs of public housing FSS, including the costs of employing a full-time FSS program coordinator.

Further Information:

For general information on the FSS program, contact the HUD's Public and Indian Housing Information and Resource Center (PIHIRC) at 1-800-955-2232. For specific questions about FSS, call the Office of Public Housing staff in your local HUD field office.